

**Testimony of
Ace Taxi Service, Ace Transportation and East Hartford Cab
Before the Insurance and Real Estate Committee**

March 2, 2017

HB 7126- AN ACT CONCERNING TRANSPORTATION NETWORK COMPANIES

Good Afternoon. My name is Michael Olschafskie, I own and operate Ace Taxi Service and Ace Transportation. The companies operate in Hartford, Tolland and Windham counties. I am here to ask that you **amend HB 7126** so that my companies can compete with Transportation Network Companies (TNC's), namely UBER and LYFT. Specifically the taxi and livery industry needs the following:

1. Please delete Section 6 of the bill, stating that taxicab companies must divest themselves of their taxi business.
2. Allow potential taxicab/livery drivers a ninety-day grace period during which their "F" endorsement may be granted before securing fingerprinted background checks, which would still be mandatory for my taxi and livery companies.
3. Allow taxi and livery companies to have flexible pricing, just like the TNCs by removing fare rate setting, allowing taxicabs to pass savings insurance alternatives onto customers.
4. Make removable rooftop lights the new ID requirement for taxicabs.
5. Allow for registration of private vehicles so that the new insurance products would be available to taxicab companies or drivers who choose to utilize a part time model.

In the interest of saving time, I would like to focus on # 2, the hiring of drivers.

The TNC companies are putting drivers on the road in 1-3 days with a 3rd party background check that is similar to a credit check going back 7 years. The process that we are legally compelled to do by CT statue is the procurement of a Public Service License. This process entails a FBI and CT State Police fingerprint based background check, this takes 8-12 weeks. A CT DMV medical certificate which is usually filled out by the applicants doctor, certifying the driver is physically capable of transporting people in a for hire vehicle. The CT DMV also looks at the applicants driving record before approving the applicant to drive for hire vehicles.

ACE TAXI and ACE TRANSPORTATION are at a huge disadvantage here. The public wants to get picked up quickly, 5-10 minutes. Potential drivers apply daily at our offices, when I tell them that they need a Public Service License and it will take 8-12 weeks the response is, "I need a job now, I have no money", Ace Taxi/Livery nets 1.5 out of 10 applicants. The Taxi and Livery industry has been trying to get this changed for 15 years to no avail. The TNC's came along 4 years ago and put drivers on the road in 1-3 days, my companies are slowly being financially strangled, this is not fair competition, and we are being put out of business. Our industry is asking for meaningful legislation that will create a fair playing field so that we can compete.

I would like to make another point, this is regarding taxes. The Transportation Network Companies, UBER and LYFT have proposed paying the State of CT \$5,000 for a license to operate. The various transportation companies that I operate paid approximately \$168,000 in CT payroll tax, CT sales tax, CT unemployment tax, property taxes to the various towns we operate in and also many fees. The building that we are operating from pays the Town \$22,000 per year in property taxes.

PLEASE AMEND HB 7126 SO THAT TAXI AND LIVERY COMPANIES CAN COMPETE WITH TRANSPORTATION NETWORK COMPANIES.

Thank You